OPEN MEETING AGENDA ITEM



BEFORE THE ARIZONA CORPORATION CO. 1 2 **COMMISSIONERS** SUSAN BITTER-SMITH- Chairman 3 **BOB STUMP BOB BURNS** 4 **DOUG LITTLE** 5 TOM FORESE 6 DOCKET NO. W-01445A-12-0348 IN THE MATTER OF THE APPLICATION OF 7 ARIZONA WATER COMPANY, AN ARIZONA CORPORATION, FOR A DETERMINATION OF THE FAIR VALUE OF ITS UTILITY PLANT AND PROPERTY AND FOR ADJUSTMENTS NOTICE OF ERRATA CORRECTING TO ITS RATES AND CHARGES FOR UTILITY 10 SERVICE FURNISHED BY ITS NORTHERN STAFF PROPOSED ORDER STAYING GROUP AND FOR CERTAIN RELATED **DECISION NO. 74081** 11 APPROVALS. 12 On September 17, 2015, Staff filed a proposed order that would stay the operation of the SIB 13 mechanism approved by Decision No. 74081 (September 23, 2013) pending the outcome of further 14 litigation. Staff has been made aware of various typographical errors in the proposed order that 15 incorrectly reference Decision No. 73928 rather than 73938. The incorrect references to Decision 16 No. 73928 occur in Finding of Fact 1. Staff hereby provides, as an errata, a revised Staff proposed 17 order that corrects the references to Commission orders. 18 It is noted that the attached proposed order is not an order of the Commission. Exceptions to 19 the proposed order may be filed in the docket by September 28, 2015. RESPECTFULLY SUBMITTED this 24th day of September, 2015. 20 21 22 Wesley C. Van Cleve 23 Charles H. Hains Matthew Laudone 24 Legal Division Arizona Corporation Commission 25 1200 West Washington Street Arizona Corporation Commission Phoenix, Arizona 85007 26 (602) 542-3402

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1	Original and thirteen (13) copies of the foregoing were filed this 24th day of
2	September, 2015, with:
3	Docket Control Arizona Corporation Commission 1200 West Washington Street Phoenix, Arizona 85007
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6	Copies of the foregoing were emailed/and/or mailed this 24 th day of September, 2015, to:
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8	E. Robert Spear, General Counsel Arizona Water Company P.O. Box 29006 Phoenix, Arizona 85038-9006
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11	Steven A. Hirsch Bryan Cave, LLP Two North Central Avenue, Suite 2200 Phoenix, AZ 85004
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13	Daniel W. Pozefsky Residential Utility Consumer Office 1110 West Washington Street, Suite 220 Phoenix, AZ 85007
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REFORE THE ARIZONA CORPORATION COMMISSION 1 **COMMISSIONERS** 2 SUSAN BITTER SMITH - CHAIRMAN 3 **BOB STUMP BOB BURNS DOUG LITTLE** TOM FORESE 5 6 7 DOCKET NO. W-01445A-12-0348 IN THE MATTER OF THE APPLICATION OF ARIZONA WATER COMPANY, AN 8 ARIZONA CORPORATION, FOR A **DECISION NO.** DETERMINATION OF THE FAIR VALUE OF ITS UTILITY PLANT AND PROPERTY AND FOR ADJUSTMENTS TO ITS RATES 10 AND CHARGES FOR UTILITY SERVICE FURNISHED BY ITS NORTHERN GROUP 11 AND FOR CERTAIN RELATED APPROVALS. 12 13 Open Meeting October 20, 2015 14 Phoenix, Arizona 15 BY THE COMMISSION: 16 17

FINDINGS OF FACT

- On September 23, 2013, the Arizona Corporation Commission ("Commission") issued 1. Decision No. 74081. Among other things, Decision No. 74081 approved Arizona Water Company ("Company") to implement a system improvement benefits mechanism ("SIB") identical to one approved for the Company in Decision No. 73938 (June 27, 2013). On August 18, 2015, the Arizona Court of Appeals issued an opinion in Case No. 1 CA-CC 13-0002 which set aside the Commission's approval of the SIB mechanism approved in Decision No. 73938.
- In light of the Court's ruling, and in balancing the interests that are implicated in this 2. matter, the Commission finds it is reasonable and in the public interest to stay operation of the SIB mechanism approved for the Company by Decision No. 74081 pending the outcome of further court proceedings.

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1 **CONCLUSIONS OF LAW** 2 1. Arizona Water Company is a public service corporation within the meaning of Article 3 XV of the Arizona Constitution. 4 2. The Commission has jurisdiction over Arizona Water Company, and the subject 5 matter of this filing. 6 3. It is in the public interest to stay the operation of the System Improvement Benefits 7 Mechanism approved by Decision No. 74081 pending the outcome of further court proceedings and 8 until further order of the Commission. 9 **ORDER** 10 IT IS THEREFORE ORDERED that the System Improvement Benefit Mechanism approved 11 by Decision No. 74081, is hereby stayed until further order of the Commission. 12 IT IS FURTHER ORDERED that all compliance requirements specifically associated with 13 operation of the System Improvement Benefits Mechanism are stayed until further order of the 14 Commission. 15 IT IS FURTHER ORDERED that all other aspects of Decision No. 74081 shall remain in effect. 16 17 18 19 20 21 22 23 24 25 26 27 28

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IT IS FURTHER ORDERED that this Decision shall become effective immediately. BY THE ORDER OF THE ARIZONA CORPORATION COMMISSION CHAIRMAN COMMISSIONER COMMISSIONER COMMISSIONER COMMISSIONER IN WITNESS WHEREOF, I, JODI JERICH, Executive Director of the Arizona Corporation Commission, have hereunto, set my hand and caused the official seal of this Commission to be affixed at the Capitol, in the City of Phoenix, this ______, 2015. JODI JERICH **EXECUTIVE DIRECTOR** DISSENT: DISSENT:

DECISION NO.

1 2	SERVICE LIST FOR: Arizona Water Company DOCKET NO. W-01445A-12-0348
3	E. Robert Spear, General Counsel ARIZONA WATER COMPANY
4	P.O. Box 29006 Phoenix, Arizona 85038-9006
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11	Mr. Thomas Broderick Director, Utilities Division
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DECISION NO.____